



**Homelessness Prevention and Rapid Re-Housing Program
Program Guidelines**

HPRP

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is under Title XII of the American Recovery and Reinvestment Act (ARRA) of 2009 ("Recovery Act") whereby Congress has designated \$1.5 billion for communities to provide financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized.

The ARRA legislation provides for the funds to be distributed in accordance with HUD's Emergency Shelter Grant (ESG) formula. As a result, DHCD and 13 entitlement areas in Virginia will receive funds. The entitlements are: Alexandria, Arlington County, Chesapeake, Chesterfield County, Fairfax County, Henrico County, Newport News, Norfolk, Portsmouth, Prince William County, Richmond, Roanoke, and Virginia Beach. Each of these localities will have developed a process and method of distribution. This document is specific to the HPRP funding (approximately \$11.4 million) that will be distributed by DHCD for the state of Virginia. Those interested in HPRP funding that will be distributed through the entitlements listed above should contact directly those localities.

HPRP is focused on housing for homeless and at-risk households. It will provide temporary financial assistance and housing relocation and stabilization services to individuals and families who are homeless or would be homeless *but for* this assistance. The funds under this program are intended to target two populations of persons facing housing instability:

- Individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit (prevention), and
- Individuals and families who are experiencing homelessness (residing in emergency or transitional shelters or on the street) and need temporary assistance in order to obtain housing and retain it (rapid re-housing).

It is important to note that HPRP is not a mortgage assistance program. Congress has established other programs to assist with the current mortgage crisis. HPRP funds are only eligible to help — whether they are renters or homeowners about to become homeless — pay for utilities, moving costs, security deposits and rent in a new unit, storage fees, and other financial costs or services. HPRP funds are not eligible to pay for any mortgage costs or legal or other fees associated with retaining homeowners' housing.

Funding Levels

DHCD has allocated a total of \$11,040,512 to sub-grantees selected through an open competitive application process. All sub-grantee must agree to serve as needed outside through specified service areas. Initial two year awards were made to 23 sub-grantees with year-two being contingent upon year-one performance.

Sub-grantees are limited to no more than two percent of total award for administrative costs, up to five percent of the total request for data collection and evaluation. This includes some eligible costs associated with Homelessness Information Management Systems (HMIS). The remaining 93 percent of the request and subsequent awards are direct program costs. This includes up to 25 percent for housing relocation and stabilization services including for

example, case management and housing search and placement. At least 68 percent of the total request/award must be financial assistance. See eligible activities section for more details.

Sub-grantees are limited reimbursements based on the approved budget within the HPRP cost limitations. Sub-grantees must make request for any budget changes beyond 10 percent (within the HPRP cost categories) of the approved budget categories.

Eligible Service Areas

DHCD's goal is to provide funding support for HPRP eligible activities across Virginia. Any locality within the state of Virginia is an eligible service area including both HPRP entitlement and non-entitlement localities. All sub-grantees are required to:

- Provide services to eligible program participants regardless of locality of origin
- Coordination with mainstream services and other Recovery Act funds
- Assure to the extent possible non-duplication of services
- Maintain up-to-date HPRP services and agency and program contact information in the statewide 211 system.
- Coordination with other HPRP grantees and sub-grantees

The following chart list Virginia localities (other HPRP grantees) that received HPRP funds directly from HUD. Sub-grantees must coordinate serve provision with these localities and other sub-grantees to assure non-duplication.

HPRP Entitlement Localities*
Alexandria
Arlington
Chesapeake
Chesterfield
Fairfax County
Henrico
Newport News
Norfolk
Portsmouth
Prince William
Richmond
Roanoke
Virginia Beach

*Virginia localities not listed above are non-entitlement areas.

Sub-Grantee Eligibility

Sub-grantees must have and be current on 990 filings (not applicable to units of government).

Sub-grantees must be in compliance with HPRP guidelines, applicable state and federal policies and procedures including compliance with federal and state non-discrimination laws.

Sub-grantees must have established standard accounting practices including internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.

Sub-grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible HPRP sub-grantees and any sub-grantee will not be eligible to receive allocations if any of these conditions occur. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.

It is expected that sub-grantees will be partnering with a number of other service providers and programs on a local level and some sub-grantees may choose to partner with a primary partner to facilitate meeting the HPRP application HMIS and/or experience requirements. Regardless of the specifics of any partnerships, the sub-grantee assumes full responsibility for meeting all HMIS, reporting, record keeping, spending, and other program requirements.

The sub-grantee must coordinate, where appropriate, program participant services with other service providers, HPRP grantees and sub-grantees and leverage where possible other resources including mainstream resources and other Recovery Act funding toward meeting overall program participant needs and program goals.

Sub-grantees must certify that they and their primary partner, if applicable, will fully utilize the Homelessness Information Management System (HMIS) for their area. While sub-grantees must work with their local HMIS administrator, please note that different areas within the state may use different systems and/or system administrators. The applicant should work with their local Continuum of Care to coordinate HMIS access. The sub-grantee assumes full responsibility for all reporting to DHCD. The table below provides the names of Virginia's local Continuums of Care (CoC). Please check the following website for local CoC contact information and for information on the geographic areas covered by each CoC:

<http://www.hud.gov/offices/cpd/homeless/local/index.cfm?st=va&coc=502>

Name of Virginia Continuums of Care
Richmond/Henrico, Chesterfield, Hanover Counties CoC
Norfolk CoC
Roanoke City & County/Salem CoC
Virginia Beach CoC
Charlottesville CoC
Newport News/Hampton/Virginia Peninsula CoC
Portsmouth CoC
Lynchburg CoC

Petersburg CoC
Staunton/Waynesboro/Augusta, Highland Counties CoC
Chesapeake CoC
Winchester/Shenandoah, Frederick, Warren Counties CoC
Fredericksburg/Spotsylvania, Stafford Counties CoC
Danville/Martinsville CoC
Harrisonburg/ Rockingham County CoC
Suffolk CoC
Virginia Balance of State CoC*
Arlington County CoC
Fairfax County CoC
Loudoun County CoC
Alexandria CoC
Prince William County CoC

**Virginia Balance of State Continuum of Care includes several individuals local CoCs*

Program Participant (Client) Eligibility

DHCD allows sub-grantees significant discretion in program design and operation while targeting those who are most in need of temporary homelessness prevention and rapid re-housing assistance. When establishing local programs, sub-grantees should consider how their programs will identify eligible program participants and meet their needs as intended by the Recovery Act. Sub-grantees should consider serving two eligible populations with HPRP funds: persons who are still housed but at risk of becoming homeless and persons who are already homeless. Although persons in both target populations are eligible to receive financial assistance and services under HPRP, creating this distinction can help communities serve households most in need of temporary assistance, as well as track the funds used for rapid re-housing and prevention. Since not all program participants in either of the target populations will have the same level of need, it is not expected that all persons in each target population will receive identical levels of assistance. For example, the scope and intensity of assistance provided to a homeless family may be greater than that provided to a homeless individual. Likewise, a family on the verge of becoming homeless within a few days may require more services or a higher level of assistance than a family whose risk of homelessness is not as imminent or one who may only need a shorter period of financial assistance.

Sub-grantees must submit and maintain sub-grantee specific HPRP program policies and procedures. These policies and procedures must specify how the sub-grantee will be targeting HPRP funds and how the level of assistance will be determined.

Sub-grantees are responsible for verifying and documenting the individuals' risk of homelessness that qualifies them for receiving rental assistance. Sub-grantees will be required to evaluate and certify the eligibility of a program participant at least once every three months for all persons receiving medium-term rental assistance.

Similarly, sub-grantees should carefully assess a household's need and appropriateness for HPRP. If the household needs more intensive supportive services or long-term assistance, or

if a household is not at risk of homelessness, sub-grantees should work to link them to other appropriate available resources.

Overall Minimum Requirements for All Program Participants

In order to receive financial assistance or services funded by HPRP, individuals and families — whether homeless or housed — must at least meet the following minimum requirements:

- Any individual or family provided with financial assistance through HPRP must have at least an initial consultation with a case manager or other authorized representative who can determine the appropriate type of assistance to meet their needs. HUD encourages communities to have a process in place to refer persons ineligible for HPRP to the appropriate resources or service provider that can assist them.
- Any individual or family receiving medium-term assistance (assistance beyond three months) must be evaluated and recertified as eligible every three months.
- The household must be at or below 50 percent of Area Median Income (AMI). Income limits are available on HUD's web site at: <http://www.huduser.org/DATASETS/il.html>. Grantees should use HUD's Section 8 income eligibility standards for HPRP.
- The household must be either homeless or at risk of losing its housing and meet both of the following circumstances:
 - I. No appropriate subsequent housing options have been identified; AND
 - II. The household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

Sub-grantees should target prevention assistance to those individuals and families at the greatest risk of becoming homeless. It is helpful to remember that the defining question to ask is:

“Would this individual or family be homeless *but* for this assistance?”

Homelessness Prevention Target Population – Minimum Requirements

Individuals and households at risk of homelessness are eligible program participants for the HPRP program. Sub-grantee programs must provide the appropriate level of assistance to program participants based on overall risk level. In addition to the overall minimum requirements, prevention program participants must meet at least one of the high risk factors (listed below) **or** have two or more of the moderate risk factors (listed below) in order to qualify for prevention assistance through the HPRP. The level of assistance provided must be based on program participant risk factors.

Prevention – High Risk Factors

- ⇒ Eviction within two (2) weeks from a private dwelling (including housing provided by family or friends);

- ⇒ Discharge within two (2) weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
- ⇒ Residency in housing that has been condemned by housing officials and is no longer meant for human habitation;
- ⇒ Sudden and significant loss of income.

Prevention – Moderate Risk Factors

- ⇒ Sudden and significant increase in utility costs;
- ⇒ Mental health and substance abuse issues;
- ⇒ Physical disabilities and other chronic health issues, including HIV/AIDS;
- ⇒ Severe housing cost burden (greater than 50 percent of income for housing costs);
- ⇒ Homeless in last 12 months;
- ⇒ Young head of household (under 25 with children or pregnant);
- ⇒ Current or past involvement with child welfare, including foster care;
- ⇒ Pending foreclosure of rental housing;
- ⇒ Extremely low income (less than 30 percent of Area Median Income);
- ⇒ High overcrowding (the number of persons exceeds health and/or safety standards for the housing unit size);
- ⇒ Past institutional care (prison, treatment facility, hospital);
- ⇒ Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
- ⇒ Credit problems that preclude obtaining of housing; or
- ⇒ Significant amount of medical debt.

Rapid Re-Housing Target Population – Minimum Requirements

Rapid Re-Housing assistance is available for persons who are homeless according to HUD's definition. In addition to the overall minimum requirements, individuals and families must

meet at least one of the risk factors (listed below) in order to qualify for Rapid Re-Housing assistance through the HPRP.

Rapid Re-Housing – Risk Factors

- ⇒ Sleeping in an emergency shelter;
- ⇒ Sleeping in a place not meant for human habitation, such as cars, parks, abandoned buildings, streets/sidewalks;
- ⇒ Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution;
- ⇒ Graduating from, or timing out of a transitional housing program; and
- ⇒ Victims of domestic violence.

Assisting Homeowners

HPRP funds may not be used as mortgage assistance; however in some cases it may be appropriate to assist a homeowner at risk of homelessness due to a foreclosure. In this case rental assistance, deposits, relocation expenses, and housing relocation and stabilization services may be appropriate. HPRP can never be used for any mortgage related expenses (including but not limited to taxes, insurance, late fees, or attorney fees).

Assisting Chronic or Multiple-Problem Individuals or Families

The program is for individuals and families who can stabilize their housing situation with the short or medium term assistance HPRP provides. Chronically homeless persons or individuals and families with multiple problems may not be a good fit for the HPRP program unless the program focuses on transitioning HPRP participants into permanent housing relatively quickly and linking HPRP program participants to ongoing long-term support beyond the allowable timeframe of the HPRP program. In these cases sub-grantees must document the specific non-HPRP long-term supporting housing and the date the non-HPRP permanent supportive housing will begin.

Program Participant Eligibility Documentation Requirements

Program participant eligibility determinations must be completed initially and every three month thereafter (maximum of 18 months of assistance). Documentation of the initial determination and each re-certification must be kept in the program participant files. If the sub-grantee is working with partners to provide HPRP, the sub-grantee is responsible for assure complete and accurate documentation of program participant eligibility.

Documentation of program participants' eligibility must include:

- Completed *HPRP Minimum Requirements Form* (including supporting documentation including a print out of the *Income Calculator Results* and the supporting income eligibility documentation), and

- For chronic or multiple-problem program participants include documentation of the long-term supportive housing including the specific date the client will be accessing the long-term housing support.

Eligible Activities

There are four categories of eligible activities for the HPRP program:

- Financial assistance,
- Housing relocation and stabilization services,
- Data collection and evaluation, and
- Administrative costs.

These eligible activities are intentionally focused on housing — either financial assistance to help pay for housing, or services designed to keep people in housing or to find housing. Generally, the intent of HPRP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance, as appropriate. HPRP assistance is not intended to provide long-term support for, nor will it be able to address all of the financial and supportive services needs of households that affect housing stability. Rather, assistance should be focused on housing stabilization, linking to community resources and mainstream benefits, and helping program participants develop a plan for preventing future housing instability. *Sub-grantee programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.*

Financial Assistance

Sub-grantees are required to expend at least 68 percent of the total award on financial assistance. Financial assistance is limited to the following activities:

- Short-term rental assistance,
- Medium-term rental assistance,
- Security deposits,
- Utility deposits,
- Utility payments,
- Moving cost assistance, and
- Motel and hotel vouchers.

Sub-grantees must not make payments directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the grantee, sub-grantee or the parent, subsidiary or affiliated organization of the sub-grantee.

Rental Assistance

Short- and medium-term rental assistance is tenant-based rental assistance that can be used to allow individuals and families to remain in their existing rental units or to help them obtain and remain in rental units they select.

- Short-term rental assistance may not exceed rental costs accrued over a period of three (3) months.
- Medium-term rental assistance may not exceed actual rental costs accrued over a period of four (4) to 18 months.
- No program participant may receive more than 18 months of assistance under HPRP.
- After three (3) months, if program participants receiving short-term rental assistance need additional financial assistance to remain housed, they must be evaluated for eligibility to receive up to 15 additional months of medium-term rental assistance, for a total of 18 months.
- Sub-grantees are required to certify eligibility at least once every three (3) months for all receiving medium-term rental assistance.
- Sub-grantees are encouraged to provide ongoing case management, as needed, to all receiving rental assistance in order to transition them to independence, including permanent housing arrangements (subsidized or unsubsidized).
- Sub-grantees will determine the amount of short-term and medium-term rental assistance provided, such as “shallow subsidies” (payment of a portion of the rent), payment of 100 percent of the rent charged, or graduated/declining subsidies.
- A sub-grantee *may also set a maximum amount* of assistance that a single individual or family may receive from HPRP funds, or may set a maximum number of times that an individual or family may receive assistance, as long as the total amount of assistance that any individual or family receives does not exceed an amount equal to 18 months of rental assistance.
- Sub-grantees may require a program participant *to share in the costs* of rent, utilities, security and utility deposits, moving, hotel or motel, and other expenses as a condition of receiving HPRP financial assistance. For example, a program may require a program participant to pay a portion of the rent expense for a unit.
- HPRP assistance should be “*needs-based*,” meaning that sub-grantees should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless or returning to homelessness in the near term. This will also help communities to utilize program resources efficiently to serve as many households as possible.
- Rental assistance may also be used to pay up to *six (6) months of rental arrears* for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPRP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant’s rental assistance, which may not exceed 18 months.

- The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of "rent reasonableness." "*Rent reasonableness*" means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units. To make this determination, the sub-grantee should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner.
- Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more information, see HUD's worksheet on rent reasonableness at:

www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc.

- Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program.
- Rental assistance or arrears to pay for a lot on which a trailer or mobile is located is an eligible expense as long as the household is otherwise eligible.
- Rental assistance provided toward rent for a housing unit owned by a sub-grantee or partner is prohibited.

Security and Utility Deposits

HPRP funds may be used to pay for security deposits, including utility deposits, for program participants. In contrast to the requirements regarding rental assistance payments, security and utility deposits covering the same period of time in which assistance is being provided through another housing subsidy program are eligible, as long as they cover separate cost types (for example, rental assistance).

Utility Payments

HPRP funds may be used for up to 18 months of utility payments, including up to 6 months of utility payments in arrears, for each program participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company.

Moving Cost Assistance

HPRP funds may be used for reasonable moving costs, such as truck rental, hiring a moving company, or short-term storage fees for a maximum of three (3) months or until the program participant is in housing, whichever is shorter.

Motel and Hotel Vouchers

HPRP funds may be used for reasonable and appropriate motel and hotel vouchers for up to 30 days if no appropriate shelter beds are available and subsequent rental housing has been identified but is not immediately available for move-in by the program participants. Sub-grantees must provide documentation that *no appropriate shelter beds are available and subsequent rental housing has been identified but is not immediately available for move-in by the program participants* when providing motel/hotel voucher assistance.

Housing Relocation and Stabilization Services

Housing Relocation and Stabilization Services expenditures are limited to 25 percent of the total award. HPRP funds may be used for services that assist program participants with housing stability and placement. These services are limited to the following eligible activities:

- *Case management* - HPRP case management funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Component services and activities may include: counseling; developing, securing, and coordinating services; monitoring and evaluating program participant progress; assuring that program participants' rights are protected; and developing an individualized housing and service plan, including a path to permanent housing stability subsequent to HPRP financial assistance.
- *Outreach and Engagement* - HPRP funds may be used for services or assistance designed to publicize the availability of programs to make persons who are homeless or almost homeless aware of these and other available services and programs.
- *Housing Search and Placement* - HPRP housing search and placement funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable housing. Component services or activities may include: tenant counseling; assisting individuals and families to understand leases; securing utilities; making moving arrangements; representative payee services concerning rent and utilities; and mediation and outreach to property owners related to locating or retaining housing.
- *Legal Services* - HPRP funds may be used for legal services to help people stay in their homes, such as services or activities provided by a lawyer or other person(s) under the supervision of a lawyer to assist program participants with legal advice and representation in administrative or court proceedings related to tenant/landlord matters or housing issues. Legal services related to mortgages are not eligible.
- *Credit Repair* - HPRP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, accessing a free personal credit report, and resolving personal credit issues.

Data Collection and Evaluation

Data Collection and Evaluation expenditures are limited to five percent of the total award. Sub-grantees will be required to conduct data collection and reporting for HPRP through the use of Homeless Management Information Systems (HMIS). HMIS must be used to collect and report HPRP data.

Eligible HMIS Activities

Reasonable and appropriate costs associated with operating an HMIS for purposes of collecting and reporting data required under HPRP and analyzing patterns of use of HPRP funds are eligible. Eligible costs include the purchase of HMIS software and/or user licenses, leasing or purchasing needed computer equipment for providers and the central server, costs associated with data collection, entry and analysis, and staffing associated with the operation of the HMIS, including training.

Ineligible HMIS Activities

HMIS activities that are ineligible include planning and development of HMIS systems, development of new software systems, and replacing state and local government funding for an existing HMIS. Only those jurisdictions that do not have an HMIS already implemented may use a portion of these funds for HMIS implementation or start-up activities.

HPRP funds may NOT be used for local program evaluation research.

Sub-grantees must comply if asked to participate in HUD-sponsored research and evaluation of HPRP. HPRP funds are eligible for costs to the grantee of participating in HUD research and evaluation of the program.

Administrative Costs

No more than two (2) percent of the total HPRP grant to the sub-grantee may be spent on administrative costs. Administrative costs may include costs associated with accounting for the use of grant funds; preparing reports for submission to HUD or DHCD; obtaining program audits; similar costs related to administering the grant after the award; and sub-grantee staff salaries associated with these administrative costs. Administrative costs also include training for staff who will administer the program or case managers who will serve, as long as this training is directly related to learning about HPRP.

Administrative costs *do not* include the costs of issuing financial assistance, providing housing relocation and stabilization services (to include case management), or carrying out eligible data collection and evaluation activities, as specified above, such as sub-grantee staff salaries, costs of conducting housing inspections, and other operating costs. These costs should be included under one of the three other eligible activity categories.

Summary of Costs Limits

HPRP Costs Limits	
<i>Cost Category</i>	<i>Limits as Percentage of Total Award</i>
Financial Assistance	At least 68 percent
Housing Relocation and Stabilization Services	25 percent or less
Data Collection and Evaluation (HMIS)	5 percent or less
Administrative	2 percent or less

Ineligible and Prohibited Activities

- Assistance or services to pay for expenses that are available through other Recovery Act programs, including child care and employment training, are not eligible. Case managers should work to link program participants to these other resources.
- Mortgage costs are ineligible. Financial assistance may not be used to pay for any mortgage costs or costs needed by homeowners to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable.
- Other ineligible and prohibited activities:
 - construction or rehabilitation;
 - credit card bills or other consumer debt;
 - car repair or other transportation costs;
 - travel costs;
 - food;
 - medical or dental care and medicines;
 - clothing and grooming;
 - home furnishings;
 - pet care;
 - entertainment activities;
 - work or education related materials; and
 - cash assistance to program participants.
- HPRP funds may **not** be used to develop discharge planning programs in mainstream institutions such as hospitals, jails, or prisons.
- Training for case managers and program administrators is an eligible administrative cost as long as it is directly related to HPRP program operations. HPRP funds may not be used to pay for certifications, licenses, and general training classes.
- Programs may **not** charge fees to HPRP program participants.
- Any HPRP funds used to support program participants must be issued directly to the appropriate third party, such as the landlord or utility company, and in no case are

funds eligible to be issued directly to program participants. If funds are found to be used for ineligible activities as determined by DHCD, the sub-grantee will be required to reimburse these costs to DHCD.

Other Requirements

Discharge Coordination Policy

Grantees must agree to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions), in order to prevent such discharge from immediately resulting in homelessness for such persons. Developing or updating system discharge plans and policies is not an eligible expense under HPRP. However, persons who are being imminently discharged into homelessness from such publicly funded institutions are eligible to receive financial assistance or services through HPRP as long as they meet the minimum program participant eligibility requirements.

DUNS Number

All sub-grantees are required to register with Dun and Bradstreet to obtain a DUNS number, if they have not already done so, and complete or renew their registration in the Central Contractor Registration (CCR). For more information see 73 FR23483, April 30, 2008 or go to www.dnb.com.

Compliance with Fair Housing and Civil Rights Laws

(1) Sub-grantees must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). (2) If the sub-grantee: (a) Has been charged with an ongoing systemic violation of the Fair Housing Act; or (b) Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or (c) Has received a letter of findings identifying ongoing systemic noncompliance under Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, or section 109 of the Housing and Community Development Act of 1974, and the charge, lawsuit, or letter of findings referenced in subparagraphs (a), (b), or (c) above has not been resolved to HUD's satisfaction before the application deadline, then the sub-grantee is ineligible.

Method of Payment

Disbursements will be made on a quarterly basis through Requests for Reimbursement. Sub-grantees will have the option of receiving an initial allocation of up to 15 percent of the total grant award.

DHCD recommends receiving funds via electronic transfer. To establish an account go to the Virginia Department of Accounts web site (<http://www.doa.virginia.gov>) and select EDI (Electronic Data Interchange) from the links on the right hand side of the page.

Confidentiality

Each sub-grantee must develop and implement procedures to ensure: (1) The confidentiality of records pertaining to any individual provided with assistance; and (2) That the address or

location of any assisted housing will not be made public, except to the extent that this prohibition contradicts a preexisting privacy policy of the sub-grantee.

Termination of Housing Assistance

The sub-grantee may terminate assistance to a program participant who violates program requirements. Sub-grantees may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the sub-grantee must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of: (1) Written notice to the program participant containing a clear statement of the reasons for termination; (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and (3) Prompt written notice of the final decision to the program participant.

Recordkeeping

Each sub-grantee must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD or DHCD may require within the timeframe required. All program and program participant records must be maintained for a minimum of five years.

Monitoring

DHCD is responsible for monitoring all HPRP activities carried out by a sub-grantee, to ensure that the program requirements established by HUD are met. Monitoring may also be conducted by the local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another federal agency to determine whether the sub-grantee complied with the requirements of this program.

HMIS

The HPRP sub-grantees are required to report program participant-level data, such as the number of persons served and their demographic information, in a Homeless Management Information System (HMIS) database. HMIS is an electronic data collection system that facilitates the collection of information on persons who are homeless or at risk of becoming homeless that is managed and operated locally. HPRP sub-grantees providing financial assistance and services directly will use the HMIS in the applicable Continuum of Care to collect data and report on outputs and outcomes as required by HUD. The required data elements that will be collected in HMIS for HPRP will be included in the revised HMIS Data and Technical Standards, which are forthcoming.

Performance Reports

All sub-grantees must be able to track and report HPRP activities, program participant data, and spending separate from other activities. Minimum reporting requires will include quarterly reports, annual reporting, and close out reporting. Sub-grantees will report on outputs, such as the number of persons served and the demographic characteristics of persons served, HPRP funds expended by activity type, and the number of jobs created and retained, as well as outcomes related to housing stability, to be specified by HUD.

Conflicts of Interest

With respect to the use of HPRP funds to procure services, equipment, supplies or other property, states, territories and units of general local government that receive HPRP funds shall comply with 24 CFR 85.36(b)(3), and non-profit sub-grantees shall comply with 24 CFR 84.42. With respect to all other decisions involving the use of HPRP funds, the following restriction shall apply: No person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds hereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

Upon the written request of the grantee, HUD may grant an exception to the restrictions in the paragraph above on a case-by-case basis when it determines that the exception will serve to further the purposes of the HPRP program and promote the efficient use of HPRP funds. In requesting an exception, the grantee must provide the following: a. For states and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and b. For all sub-grantees, an opinion of the sub-grantee's attorney that the interest for which the exception is sought would not violate state or local law.

Habitability Standards

The standards for housing unit inspections are the housing habitability standards described in Appendix C of the Notice. These standards apply only when a program participant is moving into a new unit. They do NOT apply to persons served with HPRP prevention assistance in an existing unit.

DHCD is providing a Habitability Standards form that must be completed and included in program participant records in all applicable cases.

Note that the habitability standards are different from the Housing Quality Standards (HQS) used for other HUD programs. Because the HQS criteria are more stringent than the habitability standards, a grantee could use either standard. Also note that the HPRP Notice does not exempt units from having to be compliant with local housing codes. Therefore, if there are requirements that are in both the local housing code and the HPRP Notice, the sub-grantee must comply with the more stringent of the two.

In contrast to HQS inspections, the habitability standards do not require a certified inspector. For example, HPRP project staff or staff from or hired by an agency of the grantee's local government can conduct the inspection. In addition, if a program participant is moving in to a unit and using another subsidy program that requires an inspection, staff from the other program may conduct the inspection, as long as they follow the minimum habitability standards required by HPRP. Inspections must be conducted upon initial occupancy and then on an annual basis for the term of HPRP assistance.

Please note that housing that is occupied by families with children and that was constructed before 1978 – whether served with prevention or re-housing assistance - must also comply with Lead Based Paint inspection requirements, per the Lead Based Paint Poisoning Prevention Act. (Please see additional questions on lead-based paint inspection requirements.)

Lead-Based Paint Requirements

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.), as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.) and implementing regulations at 24 CFR part 35, subparts A, B, M, and R shall apply to housing occupied by families receiving assistance through HPRP. The lead-based paint requirements are more stringent than the habitability standards, and they must apply to all housing in which families assisted with HPRP funds will reside, whether it is for prevention or rapid re-housing. Specifically, the regulations apply to the unit and to common areas servicing the unit when HPRP assistance is provided to a unit in which a child under the age of six (6) will be residing, unless it meets one of the following circumstances: it is a zero-bedroom or SRO-sized unit, or it is housing for the elderly and there are no children under the age of six (6), or a lead-based paint inspection has been conducted in accordance with HUD regulations and found not to have lead-based paint, or if the property has had all lead-based paint identified and removed in accordance with HUD regulations, or if it meets any of the other exemptions described in 24 CFR part 35.115(a).

An initial visual assessment and periodic inspections are required for as long as HPRP funds are being used to assist the family in the unit. Both must meet HUD's standards described in the applicable regulations. In addition, the unit must be inspected again if a new family assisted with HPRP funds moves in, and the clock for periodic inspections is reset. Finally, the owner must provide a notice to occupants if an evaluation and hazard reduction activities have taken place, in accordance with 24 CFR part 35.125.

DHCD is providing a Lead-Based Paint Visual Assessment form that must be completed and included in program participant records in all applicable cases.

Nondiscrimination and Equal Opportunity Requirements

Sub-grantees must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, sub-grantees must make known that HPRP rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about HPRP and equal access to the financial assistance and services provided under this program. Among other things, this means that each sub-grantee must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964.

This may mean providing language assistance or ensuring that program information is available in the appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to HPRP assistance. To assist sub-grantees, HUD published the “Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons” (72 Federal Register 2732; January 22, 2007).

In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the sub-grantee intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the sub-grantee must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

Affirmatively Furthering Fair Housing

Sub-grantees will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD's rule on effective communications at 24 CFR 8.6); (3) providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-800-669-9777; and (5) recruiting landlords and service providers in areas that expand housing choice to.

Uniform Administrative Requirements

Non-profit sub-grantees shall be subject to the requirements of 24 CFR part 84. Note that the closeout requirements apply to all entities receiving HPRP funds.

Equal Participation of Religious Organizations

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HPRP. Neither the federal government nor a grantee shall discriminate against an organization on the basis of the organization's religious character or affiliation. Organizations that are directly funded under HPRP may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under HPRP, and participation must be voluntary. A religious organization that participates in HPRP will retain its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HPRP funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide HPRP-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HPRP-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents. An organization that participates in the HPRP program shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD's implementing regulations at 24 CFR part 21 apply to HPRP.

Sub-grantee Reporting Requirements

Sub-grantees will be required to provide an initial quarterly report (due October 5, 2009) and subsequent quarterly reports due on the fifth of every quarter. Reports must be submitted in the given report format that will be supplied to the sub-grantees by DHCD. Timeliness is critical as this data will be aggregated by DHCD and reported to HUD by tenth of every quality.

Sub-grantees must assure that data is complete and accurate. Each sub-grantee is expected to enter all program participant data into the HMIS system, complete periodic data quality checks, and work with their local HMIS administrator to assure that complete quality data is submitted to DHCD by the specific due dates.

For question related to HMIS and/or HPRP quarterly reporting please contact:

Matt Leslie
DHCD, Policy Analyst
(804) 371-7186
matt.leslie@dhcd.virginia.gov

Other submission requirements include:

- Revised budget (due October 5, 2009)
- HMIS certification (September 16)
- Signed contract (September 30)
- Initial payment request (October 5)
- Most recent audit (if we don't already have this by October 5)
- Initial Quarterly Report (October 5)
 - Sub-grantee data
 - Projected numbers served by target population and cost category
- HPRP Quarterly Report (1/5; 4/5; 7/5; 10/5) includes:
 - Client level HMIS data
 - Expenditures by cost categories and target population
 - Outcome data –housing status and entry and exit
 - Reimbursement request

Sub-grantee Reimbursement Procedures

More specific information about reimbursement procedures will be provided as available.

Program Guideline Amendments

DHCD anticipates several updates to the program guidelines during the grant period. All updates will be included as amendments to the program guidelines. These amendments will be posted along with the program guidelines on DHCD website and will be sent to the agency contact (s).

Sub-grantees are responsible for assuring that the contact information that DHCD has on record for the agency remain up-to-date. Sub-grantees are responsible for assuring program compliance based on the most up-to-date program guidelines including all to-date amendments.